## DRAFT

## Washington State Board of Health A Key Value to Guide Health Care Reform— Stabilize System Funding to Achieve Universal Access to Core Services

## **Summary**

The State Board of Health values community health improvement above all, and values stable health care system funding as the highest priority toward that end. The Board believes stable funding is necessary to achieve universal access to a core set of services --- and universal access to these core services is most likely to improve health. Core services should include a robust public health infrastructure and personal medical services proven effective in improving community wide health.

Significantly advancing this value would require: broad-based agreement on a core set of effective services; prioritization of those services considering patterns of illness and death and community values; establishment and tracking of measurable outcomes, and reformation of basic financing mechanisms.

A stable health funding system would advance other values important to the Board, such as assuring fairness, assuring accountability, redesigning the health system, improving performance and efficiency, and re-allocating existing resources.

## **Discussion**

The Washington Health Foundation (WHF) asked the State Board of Health (SBOH) to develop a brief statement about a key value held by the Board in relation to health reform. The Board was asked to address one value from a short list WHF provided. The Board chose to address "Stabilize System Funding".

The SBOH has long promoted universal access to those health services most likely to improve the public's health. It agrees with the primary result of Governor Locke's recent "Priorities in Government" prioritization that these services begin with a robust public health infrastructure. In addition, the Board believes that many personal health services are also critical for public health improvement, and therefore should also be universally accessible.

With today's medical technology, at today's prices and with today's demands, access to both a robust public health infrastructure and a full range of personal health services is not affordable. They would be virtually inaccessible for the majority of Washingtonians now were it not for subsidies from employers, governments or charities. These subsidies insulate consumers and providers from the actual costs of health care, driving up demand for all services irrespective of their effectiveness. To make matters worse, many other factors undermine these subsidies. Medical care inflation, a poor economy, and widespread anti-governmentalism have eroded our ability to sustain public programs for the poor, the elderly and many of the chronically ill --- the populations that suffer the overwhelming majority of society's disease burden.

To maintain stable and secure system funding, we have to set limits—as consumers and as providers—on the interventions we expect to see universally accessible. To promote efficiency and to keep a tight rein on costs, we also need limits on the number of payers and middlemen who finance and manage the many disconnected revenue streams and accountability schemes we have.

The Board believes that the most important key to stabilizing our health funding system is to settle on a more limited and sustainable mix of public health and personal medical services that communities will support financially. Its hope for near-term health reform is to stabilize a financing system that provides universal access to things that most effectively protect and improve public health.

In recent years, the Board has been working toward wider agreement about what those services are. The Board has developed an evidence based "Menu of Critical Health Services" intended as a starting point for that community dialogue.

The Board believes that community health improvement is best achieved from a combination of personal behavioral choices and collective action. Health improvement occurs best when individuals, governments, businesses and charities each accept their fair share of personal and community accountability for the public's health.

The Board believes that political leaders and public health officials need to actively promote community-based initiatives to redesign the health care system. The goal should be to produce measurable improvements in community health status. One way this can occur involves reallocation of funds now used for unneeded and relatively ineffective illness care toward universal access to an evidence-based mix of environmental, social, behavioral and medical interventions. This new mix should include public polices and health services that make it easy for individuals, families, communities, businesses and charity organizations to assume their fair share of responsibility for improving their own health and the health of their communities.

The Board believes that in a system devoted to population wide health improvement, reducing access to proven preventive and basic primary care by category of individuals or by economic circumstance is not justified. We will stabilize neither our population's health nor the finances of our health care system by excluding parts of our population from cost-effective health improvement interventions.

However, the Board recognizes that financial stability requires limits on expenditures. Services should be eliminated first if they have no proven health benefit, and next if the health benefit is only marginal, accrues only for a short time or is disproportionately expensive for the population wide health benefit received. This might include discouraging heroic end-of-life services in circumstances where patient-centered palliative care is more humane and appropriate. The private medical services market should be allowed to market health services that are not universally available. Charities may fund such services for those of limited means.

Anti-smoking policies, helmet programs, substance abuse treatment, prenatal care and other proven interventions that prevent or treat widely prevalent health conditions with proven results should be considered part of our public health infrastructure and should be universally available. Washington State cannot spend its way to a healthier future with its current fragmented, dysfunctional health care financing system. Only by prioritizing certain services and adopting new measures of effectiveness can we hope to see the desired outcome of universally accessible health care.